

## Message Text

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12

ACTION TRSE-00

INFO OCT-01 AF-06 ARA-06 EA-07 EUR-12 NEA-10 IO-10 ISO-00

FEA-01 ERDA-05 AID-05 CEA-01 CIAE-00 CIEP-01 COME-00

DODE-00 EB-07 FPC-01 H-02 INR-07 INT-05 L-03 NSAE-00

NSC-05 OMB-01 PM-04 USIA-06 SAM-01 OES-03 SP-02 SS-15

STR-04 /131 W

----- 068951

R 252107Z AUG 75

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC 7337

INFO AMEMBASSY ANKARA

AMEMBASSY BERN

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMXASSY DUBLIN

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY MADRID

AMEMBASSY OSLO

USMISSION OECD PARIS UNN

AMEMBASSY ROME

AMEMBASSY TOKYO

AMEMBASSY STOCKHOLM

AMEMBASSY THE HAGUE

AMEMBASSY VIENNA

AMEMBASSY WELLINGTON

AMEMBASSY PARIS

USMISSION EC BRUSSELS UNN

USMISSION GENEVA

USMISSION USUN

AMEMBASSY JIDDA

AMEMBASSY ABU DHABI

AMEMBASSY ALGIERS

AMEMBASSY CARACAS

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AMEMBASSY DOHA

AMEMBASSY JAKARTA  
AMEMBASSY KUWAIT  
AMEMBASSY LAGOS  
AMEMBASSY LIBREVILLE  
AMEMBASSY QUITO  
AMEMBASSY TEHERAN  
AMEMBASSY TRIPOLI

C O N F I D E N T I A L OTTAWA 3187

DEPT PASS TREASURY FOR PARSKY

EO 11652 GDS  
TAGS EFIN ENRG OECD CA  
SUBJ DRAFT POSITION PAPER ON INDEXATION  
OF OIL PRICES: CANADIAN REACTION

REF STATE 175861

1. EXTAFF (GROVES) INFORMED EMBASSY ORALLY LATE AUGUST 22 OF GOC REACTION (AS COMMUNICATED TO CANADIAN OECD MISSION) TO DRAFT IEA POSITION PAPER ON INDEXATION OF OIL PRICES TRANSMITTED BY REFTEL.

2. GROVES STATED THAT GOC "BASICALLY AGREES" WITH THE ECONOMIC ARGUMENTS AGAINST INDEXATION AS SET FORTH IN THE DRAFT. HOWEVER, GOC FINDS THE ARGUMENTS "A LITTLE OVER-EMPHASIZED" AND ON "POLITICAL GROUNDS" IS "NOT SO CONVINCED" AGAINST INDEXATION.

3. MORE SPECIFICALLY, GROVES STATED THAT IF OPEC WERE TO INDEX REGARDLESS OF ECONOMIC ARGUMENTS AND IEA CONSUMER COUNTRY POSITIONS -- AND THE GOC DOES NOT REPEAT NOT DISCOUNT THAT POSSIBILITY AS THE DRAFT IEA PAPER SEEMS TO DO -- THEN "PERHAPS WE SHOULD GO ALONG WITH INDEXATION AND GET SOMETHING FOR IT."

4. GROVES ALSO SAID THAT IF THE POSITION PAPER WERE TO BE REWRITTEN IT SHOULD "COME TO TERMS" WITH WHAT THE APPROPRIATE PRICE OF OIL SHOULD BE. HE ADDED THAT THE CONFIDENTIAL

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GOC WAS NOT AT ALL SURE THAT ALL IEA MEMBERS WOULD GO ALONG WITH THAT IDEA.  
PORTER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLICIES, PETROLEUM, REPORTS, GOVERNMENT REACTIONS, PRICE INDEXES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 25 AUG 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** greeneet  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**Office:** ACTION TRSE  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
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**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 175861  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** greeneet  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 09 APR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <09 APR 2003 by lzenbel0>; APPROVED <01 OCT 2003 by greeneet>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** DRAFT POSITION PAPER ON INDEXATION OF OIL PRICES: CANADIAN REACTION  
**TAGS:** EFIN, ENRG, CA, OECD, IEA  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006